



*The Commonwealth of Massachusetts*  
*Executive Office of Energy and Environmental Affairs*  
*100 Cambridge Street, Suite 900*  
*Boston, MA 02114-2119*

Deval L. Patrick  
GOVERNOR

Timothy P. Murray  
LIEUTENANT GOVERNOR

Ian A. Bowles  
SECRETARY

Tel: (617) 626-1000  
Fax: (617) 626-1181  
<http://www.mass.gov/envir>

FOR IMMEDIATE RELEASE  
Date: December 14, 2007

Contact: Robert Keough  
(617) 626-1109  
Lisa Capone  
(617) 626-1119

**PATRICK ADMINISTRATION ANNOUNCES COMMONWEALTH  
SOLAR, AN AMBITIOUS SOLAR REBATE PROGRAM**

*Cash back from existing renewable energy funds will fulfill Governor Patrick's pledge  
to spur installation of solar power, stimulate job-creating clean energy industry*

BOSTON – Secretary of Energy and Environmental Affairs Ian Bowles today announced the Patrick Administration's new program to encourage the use of solar photovoltaic (PV) power by offering rebates that reduce the cost of solar panels and installation. The new program, which makes use of existing renewable energy funds, is expected to result in the installation of more than 27 MW of solar power capacity over the next four years.

Called "Commonwealth Solar," the rebate program is the first step toward fulfilling Governor Deval Patrick's pledge to increase installed solar power from 4 MW today to 250 MW by 2017, made in April in connection with Marlborough-based Evergreen Solar Inc.'s commitment to locate its first full-scale U.S. manufacturing facility in Massachusetts.

"Putting state government behind solar energy is a key element in growing the clean energy sector of the Massachusetts economy," said Governor Patrick. "Before the world becomes our customer for clean energy technology, we need to become customers ourselves."

Leaders of both branches of the Legislature support Commonwealth Solar as a way of reaching clean energy goals they share with Governor Patrick.

"Rising energy costs are a burden to residents and a threat to economic development," Senate President Therese Murray said. "It is a matter of urgency that we act on all fronts to explore opportunities for alternative energy resources, including solar energy. Such alternative resources could bring much needed relief to homeowners, schools and businesses. We have to keep an open mind about our energy options and promote incentives to develop new resources."

"This is the kind of renewable energy program envisioned in the Green Communities legislation that unanimously passed the House of Representatives last month," said House Speaker

Salvatore F. DiMasi. “It is important to move swiftly and to use all available resources to reduce our dependence on imported fuels. I am pleased that Governor Patrick and Secretary Bowles are joining with me in encouraging the use of alternative sources of energy by both commercial and residential consumers and look forward to continuing to collaborate on similar projects in the future.”

The Commonwealth Solar rebate plan, which will begin taking applications January 23, will provide cash back to owners of commercial, industrial, municipal, and residential property who install solar PV capacity, defraying substantial portions of the cost of solar panels and installation and shortening the payback period of the investment, after which the panels produce electricity that is essentially free.

“Solar power is an important piece of a clean energy future for Massachusetts, but it is expensive today, and it will stay expensive until the market for solar power achieves economies of scale,” said Secretary Bowles. “A rebate for solar installed power is the most efficient, cost-effective way to reduce the cost of solar PV and hasten its acceptance in the marketplace. This program will put solar panels on the rooftops of businesses, homes, and municipal buildings, and in doing so, it will stimulate the growth of our clean energy industry.”

Under Commonwealth Solar, businesses and residences that install solar power over the next four years will be eligible for rebates averaging \$3 per watt at the start, reducing their costs from roughly \$8 per watt for commercial installations, \$9 per watt for residential. Details on the rebate are still under development, but commercial customers installing a typical 50 kW solar power system can expect to reduce their costs by at least 40 percent, achieving payback from reduced electricity costs in six years, and with federal tax credits, enjoying a return on investment of at least 8.5 percent. Rebates will be higher for installation of Massachusetts-manufactured solar panels, and they will decline with the size of the installation.

Residential customers will be eligible for rebates on installation of solar arrays up to 5 kW, with rebates higher for low-income households and for installing solar products manufactured by Massachusetts companies. Also, \$2 million per year for the first two years will be reserved for installing solar power on the roofs of school buildings.

At a cost of \$68 million over the next four years, the rebates provided through Commonwealth Solar will be financed entirely by existing ratepayer funds for renewable energy. The Massachusetts Technology Collaborative will dedicate \$10 million per year from the Renewable Energy Trust, representing 40 percent of annual spending, for Commonwealth Solar, up slightly from the \$8-\$9 million per year MTC has awarded for solar projects through its grant programs in recent years. The remaining \$28 million will come from the Division of Energy Resources’ Alternative Compliance Payment fund, consisting of payments from electricity suppliers that are unable to meet their obligations under the Commonwealth’s Renewable Portfolio Standard, which requires them to obtain a minimum percentage of electricity supplies from renewable sources.

“This new solar initiative will help more businesses, communities and homeowners in Massachusetts tap into clean energy from the sun,” said Massachusetts Technology Collaborative executive director Mitchell Adams. “It builds on our strong commitment to solar, which has already led to more than 700 installations across the state.”

“These rebates will put an important clean energy choice within the reach of many more consumers – store owners, municipalities, and homeowners alike,” says DOER Commissioner Phil Giudice.

Based on experience in California, as well as Japan and Germany, which shows a declining need for public subsidies as the market for solar power grows and costs fall, Commonwealth Solar rebates will decline slightly each year. At the end of the four-year program, it will be determined whether there remains a need for subsidy in order to achieve the 2017 goal of 250 MW of installed solar power, and how that need will be met.

“This initiative not only sends a clear message that the Commonwealth supports the growing clean energy sector but will create jobs for solar manufacturing companies and encourage both individuals and businesses to adopt these technologies,” said Secretary of Housing and Economic Development Dan O’Connell.

At the Evergreen Solar announcement in April, electric distribution utilities also made a first-in-the-nation pledge to help identify good candidates for solar energy among their customers. Commonwealth Solar will provide support for those efforts, utility executives said.

“National Grid stands ready to make this important initiative happen by utilizing our accomplished team of professionals,” said Tom King, president of National Grid’s U.S. operations. “We also will continue to focus on developing and supporting other renewable initiatives as Massachusetts and the region focus on mitigating climate change. We look forward to working with the Administration as they establish these goals to help deliver their benefits to our customers, communities and the Commonwealth.”

“This rebate program is exactly the kind of shot in the arm that’s needed to get more solar panels on homes and businesses throughout the Commonwealth,” said Tom May, NSTAR Chairman, President & CEO. “We’re proud of the work we do to support customers who want to connect these clean energy sources to our system and we applaud the administration’s efforts to encourage more customers to do the same.”

“We commend Governor Patrick for creating a solar program that will bring high tech jobs, projects and clean solar power to Massachusetts,” said Chris Cook, Senior Vice President Regulatory Affairs and New Markets for SunEdison, a leading national solar services provider, based in Beltsville, Maryland. “With the new incentives created under this program, SunEdison looks forward to implementing solar on a wide scale basis in the Bay State, and we look forward to working with Governor Patrick’s administration as we optimize this and future incentives for renewable energy.”

“We need to be doing everything we can to meet the challenge of global warming and reduce our dependence on polluting fossil fuels,” said Philip Warburg, president of Conservation Law Foundation. “The focused funding announced today by the Patrick Administration will provide much-needed momentum for the development of clean solar energy in communities throughout Massachusetts. We’re also thankful to the House and Senate for their leadership in crafting legislation that will set the stage for even more investment in renewable energy.”

#####